

# State of Rhode Island - Division of Taxation

## Sales and Use Tax

### Regulation SU ~~87~~07-43

#### Federal Taxes Taxes Imposed on Consumer

Gross receipts subject to sales tax and the sales price subject to use tax do not include the amount of any ~~Federal tax imposed upon or with respect to retail sales whether imposed upon the retailer or upon the consumer and regardless of whether the amount of Federal tax is stated to consumers as a separate charge~~ taxes legally imposed directly on the consumer that are separately stated on the invoice, bill of sale or similar document given to the purchaser. ~~Accordingly, deduction may be taken for the taxes imposed under the Internal Revenue Code in connection with retail sales. Retailers must retain records to show that the amounts deducted as Federal tax were actually returned to the United States.~~

Gross receipts subject to sales tax and the sales price subject to use tax include the amount of any ~~manufacturer's~~ manufacturer's, or importer's or retailer's excise tax included in the prices of the property sold, ~~even though the manufacturer or importer is also the retailer thereof,~~ and it is immaterial whether or not the amount of such tax is stated as a separate charge.

~~R. GARY CLARK~~ DAVID SULLIVAN  
TAX ADMINISTRATOR

DATE: ~~May 1, 1987~~ JANUARY 1, 2007

THIS REGULATION AMENDS AND SUPERCEDES REGULATION SU 87-43  
PROMULGATED May 1, 1987.

**REGULATION SU 07-43**  
**Taxes Imposed on the Consumer**

**EXPLANATION OF REGULATORY CHANGES**

Legislation conforming Rhode Island Sales & Use Tax Law to the provisions of the Streamlined Sales & Use Tax Agreement (SSUTA) was signed June 30, 2006 and becomes effective January 1, 2007. This conforming legislation adopts the agreement's administration of exemptions.

**MAJOR CHANGES**

Eliminate the words "Federal Tax" and other language to make the regulation agree with changes to the law.